

**JOINT LEGISLATIVE COMMISSION
ON MUNICIPAL INCORPORATIONS**



**REPORT TO THE
GENERAL ASSEMBLY
OF NORTH CAROLINA**

Proposed Town of Kipling

March 21, 2001



L00288727Y

REPORT TO THE GENERAL ASSEMBLY

Proposed Incorporation of the Town of Kipling March 21, 2001

The Joint Legislative Commission on Municipal Incorporations was created in 1986 by the General Assembly to conduct an independent review and evaluation of proposed municipal incorporations. This evaluation, to be conducted in accordance with a statutory set of objective criteria, is designed to allow the General Assembly to see the feasibility of the proposed new municipality. The Commission consists of four members of the General Assembly, one city official, and one county official. A list of members appears as Appendix A.

The statutory criteria require a review of community support, (a petition is required) population, land development, nearness to other urban areas, and ability to provide municipal services at a reasonable tax rate. A copy of the statutes authorizing the Commission and setting up the review standards is attached as Appendix B.

The Commission received a petition proposing the incorporation of the Town of Kipling in Hamett County on November 17, 2000. A copy of the petition is attached as Appendix C.

The Commission, pursuant to G.S. 120-161, asked the Division of Community Assistance of the Department of Commerce to evaluate the petition. The Division conducted the evaluation and found that the certificate from the Hamett County Board of Elections was inadequate because it did not indicate the total number of registered voters in the area to be incorporated and it did not indicate whether some of the petition signers resided in the area to be incorporated. When a revised certificate from the Hamett County Board of Elections was submitted in December 2001, the Division of Community Assistance proceeded to evaluate the petition as directed by the Commission. It found that the proposed Town had met all the preliminary requirements for incorporation. Based upon the Division's report, the Commission found that the requirements of G.S. 120-163 and G.S. 120-164 had been met (a copy of the report is attached as Appendix D).

The Commission requested that the Division of Community Assistance evaluate the proposed Town's petition for incorporation under G.S. 120-166 (a copy of the report is attached as Appendix E). The Division conducted the evaluation and determined that all statutory requirements had been met.

The Commission further requested that the Division of Community Assistance evaluate the proposed Town's petition under G.S. 120-167 through G.S. 120-170 (a copy of the report is attached as Appendix F). The Division conducted the evaluation and determined that all statutory requirements had been met, except G.S. 120-168 (Additional criteria; development) and G.S. 120-170 (Findings as to services). The level of development in the proposed Town is 18 percent rather than 40 percent as required in the general statutes. The proposed Town would have to levy a property tax rate of \$0.72/\$100 assessment to generate revenues similar to those in other towns its size (average rate in those towns is \$0.48/\$100 assessment).

On March 8, 2001, the Commission held a public hearing on the incorporation of the Town of Kipling in Kipling, North Carolina. Three people spoke in favor of the incorporation of the Town and one spoke in opposition.

Pursuant to G.S. 120-169.1, the Commission requested that the Fiscal Research Department provide data that shows the impact on other municipalities and counties of the diversion of already levied taxes or State-shared revenues to support services in the proposed Town of Kipling (a copy of the report is attached as Appendix G). The data provided by the Department (based upon figures from 1998-99) shows that sales tax revenues in Harnett County are distributed on an ad valorem basis. If the proposed Town of Kipling had been incorporated at that time, it would have received \$16,704 in sales tax revenues, resulting in a decrease in revenues for Harnett County and the municipalities in the county. The incorporation of Kipling would have a marginal impact on the distribution of Powell Bill funds in the State. No revenue shift of utility excise taxes is expected since the incorporation of Kipling would encompass areas that are not currently part of another municipality.

The Commission finds that the proposed Town of Kipling does not meet the standards required by Article 20 of Chapter 160A of the General Statutes, and therefore the Commission does not recommend incorporation of the area as the Town of Kipling.

APPENDIX A

JOINT LEGISLATIVE COMMISSION ON MUNICIPAL INCORPORATIONS 2000-2001 Membership

President Pro Tem's Appointments

Senator Fletcher Hartsell
P. O. Box 368
Concord, NC 28026-0368

Senator Kay R. Hagan
305 Meadowbrook Terrace
Greensboro, NC 27408

Mr. Ronald R. Kimble, Asst. Manager
Charlotte-Mecklenburg Gov Center
600 East 4th Street
Charlotte, NC 28202

Speaker's Appointments

Representative Mary L. Jarrell
Legislature Building, Room 2219
Raleigh, NC 27603

Representative John W. Hurley
P. O. Box 714
Fayetteville, NC 28303

Mr. Jerry Ayscue
Vance County Manager
Vance County Courthouse
Young Street
Henderson, NC 27536

Staff

Gerry Cohen, Director
Bill Drafting Division

Gayle L. Moses, Staff Attorney
Bill Drafting Division

Legislative Assistant

Allison Towe
1113 Legislative Building

APPENDIX B

Article 20.

Joint Legislative Commission on Municipal Incorporations.

Part 1. Organization.

§ 120-158. Creation of Commission.

(a) There is created the Joint Legislative Commission on Municipal Incorporations, referred to in this Article as "Commission".

(b) The Commission shall consist of six members, appointed as follows:

- (1) Two Senators appointed by the President Pro Tempore of the Senate;
- (2) Two House members appointed by the Speaker;
- (3) One city manager or elected city official, appointed by the President Pro Tempore of the Senate from a list of three eligible persons nominated by the North Carolina League of Municipalities; and
- (4) One county commissioner or county manager, appointed by the Speaker from a list of three eligible persons nominated by the North Carolina Association of County Commissioners.

§ 120-159. Terms.

Members shall be appointed for terms ending June 30, 1987, and subsequently for two-year terms beginning July 1, 1987, and biennially thereafter. A member eligible when appointed may continue for the remainder of the term regardless of the member's continued eligibility for the category. The Commission shall elect a chairman from its membership for a one-year term.

§ 120-160. Compensation.

Members of the Commission who are members of the General Assembly shall receive subsistence and travel allowances as provided by G.S. 120-3.1. Members who are State officers or employees shall receive subsistence and travel allowances as provided by G.S. 138-6. All other members shall receive per diem, subsistence, and travel allowances as provided by G.S. 138-5.

§ 120-161. Facilities and staff.

The Commission may meet in the Legislative Building or the Legislative Office Building. Staff for the Commission shall be provided by the Legislative Services Commission. The Commission may contract with the Institute of Government, the Local Government Commission, the Department of Environment and Natural Resources, or other agencies as may be necessary in completing any required studies, within the funds appropriated to the Commission.

Part 2. Procedure for Incorporation Review.

§ 120-163. Petition.

(a) The process of seeking the recommendation of the Commission is commenced by filing with the Commission a petition signed by fifteen percent (15%) of the registered voters of the area proposed to be incorporated, but by not less than 25 registered voters of that area, asking for incorporation.

(b) The petition must be verified by the county board of elections of the county where the voter is alleged to be registered. The board of elections shall cause to be examined the signature, shall place a check mark beside the name of each signer who is qualified and registered to vote in that county in the area proposed to be incorporated, and shall attach to the petition a certificate stating the number of voters registered in that county in the area proposed to be incorporated, and the total number of registered voters who have been verified. The county board of elections shall return the petition to the person who presented it within 15 working days of receipt.

(c) The petition must include a proposed name for the city, a map of the city, a list of proposed services to be provided by the proposed municipality, the names of three persons to serve as interim governing board, a proposed charter, a statement of the estimated population, assessed valuation, degree of development, population density, and recommendations as to the form of government and manner of election. The petition must contain a statement that the proposed municipality will have a budget ordinance with an ad valorem tax levy of at least five cents (5¢) on the one hundred dollar (\$100.00) valuation upon all taxable property within its corporate limits. The petition must contain a statement that the proposed municipality will offer four of the following services no later than the first day of the third fiscal year following the effective date of the incorporation: (i) police protection; (ii) fire protection; (iii) solid waste collection or disposal; (iv) water distribution; (v) street maintenance; (vi) street construction or right-of-way acquisition; (vii) street lighting; and (viii) zoning. In order to qualify for providing police protection, the proposed municipality must propose either to provide police service or to have services provided by contract with a county or another municipality that proposes that the other government be compensated for providing supplemental protection. The proposed municipality may not contain any noncontiguous areas.

(d) The petitioners must present to the Commission the verified petition from the county board of elections.

(e) A petition must be submitted to the Commission at least 60 days prior to convening of the next regular session of the General Assembly in order for the Commission to make a recommendation to that session.

§ 120-164. Notification.

(a) Not later than five days before submitting the petition to the Commission, the petitioners shall notify:

- (1) The board or boards of county commissioners of the county or counties where the proposed municipality is located;
- (2) All cities within that county or counties; and
- (3) All cities in any other county that are within five miles of the proposed municipality of the intent to present the petition to the Commission.

(b) The petitioners shall also publish, one per week for two consecutive weeks, with the second publication no later than seven days before submitting the petition to the Commission, notice in a newspaper of general circulation in the area proposed to be incorporated of the intent to present the petition to the Commission.

§ 120-165. Initial inquiry.

(a) The Commission shall, upon receipt of the petition, determine if the requirements of G.S. 120-163 and G.S. 120-164 have been met. If it determines that those requirements have not been met, it shall return the petition to the petitioners. The Commission shall also publish in the North Carolina Register notice that it has received the petition.

(b) If it determines that those requirements have been met, it shall conduct further inquiry as provided by this Part.

§ 120-166. Additional criteria; nearness to another municipality.

(a) The Commission may not make a positive recommendation if the proposed municipality is located within one mile of a municipality of 5,000 to 9,999, within three miles of a municipality of 10,000 to 24,999, within four miles of a municipality of 25,000 to 49,999, or within five miles of a municipality of 50,000 or over, according to the most recent decennial federal census, or according to the most recent annual estimate of the Office of State Budget, Planning, and Management if the municipality was incorporated since the return of that census.

(b) Subsection (a) of this section does not apply in the case of proximity to a specific municipality if:

- (1) The proposed municipality is entirely on an island that the nearby city is not on;
- (2) The proposed municipality is separated by a major river or other natural barrier from the nearby city, such that provision of municipal services by the nearby city to the proposed municipality is infeasible or the cost is prohibitive, and the Commission shall adopt policies to implement this subdivision;
- (3) The municipalities within the distances described in subsection (a) of this section by resolution express their approval of the incorporation; or
- (4) An area of at least fifty percent (50%) of the proposed municipality has petitioned for annexation to the nearby city under G.S. 160A-31 within the previous 12 months before the incorporation petition is submitted to the Commission but the annexation petition was not approved.

§ 120-167. Additional criteria; population.

The Commission may not make a positive recommendation unless the proposed municipality has a permanent population of at least 100 and a population density (either permanent or seasonal) of at least 250 persons per square mile.

§ 120-168. Additional criteria; development.

The Commission may not make a positive recommendation unless forty percent (40%) of the area is developed for residential, commercial, industrial, institutional, or governmental uses, or is dedicated as open space under the provisions of a zoning

ordinance, subdivision ordinance, conditional or special use permit, or recorded restrictive covenants.

§ 120-169. Additional criteria; area unincorporated.

The Commission may not make a positive recommendation if any of the proposed municipality is included within the boundary of another incorporated municipality, as defined by G.S. 153A-1(1).

§ 120-169.1. Additional criteria; level of development, services; financial impact on other local governments.

(a) Repealed by Session Laws 1999-458, s. 4.

(b) Services. – The Commission may not make a positive recommendation unless the area to be incorporated submits a plan for providing a reasonable level of municipal services. This plan shall be based on the proposed services stated in the petition under G.S. 120-163(c).

(c) The Commission in its report shall indicate the impact on other municipalities and counties of diversion of already levied local taxes or State-shared revenues from existing local governments to support services in the proposed municipality.

§ 120-170. Findings as to services.

The Commission may not make a positive recommendation unless it finds that the proposed municipality can provide at a reasonable tax rate the services requested by the petition, and finds that the proposed municipality can provide at a reasonable tax rate the types of services usually provided by similar municipalities. In making findings under this section, the Commission shall take into account municipal services already being provided.

§ 120-171. Procedures if findings made.

(a) If the Commission finds that it may not make a positive recommendation because of the provisions of G.S. 120-166 through G.S. 120-170, it shall make a negative recommendation to the General Assembly. The report to the General Assembly shall list the grounds on which a negative recommendation is made, along with specific findings. If a negative recommendation is made, the Commission shall notify the petitioners of the need for a legally sufficient description of the proposed municipality if the proposal is to be considered by the General Assembly. At the request of a majority of the members of the interim board named in the petition, the Commission may conduct a public hearing and forward any comments or findings made as a result of that hearing along with the negative recommendation.

(b) If the Commission determines that it will not be barred from making a positive recommendation by G.S. 120-166 through G.S. 120-170, it shall require that petitioners have a legally sufficient description of the proposed municipality prepared at their expense as a condition of a positive recommendation.

(c) If the Commission determines that it is not barred from making a positive recommendation, it shall make a positive recommendation to the General Assembly for incorporation.

(d) The report of the Commission on a petition shall be in a form determined by the Commission to be useful to the General Assembly.

§ 120-172. Referendum.

Based on information received at the public hearing, the Commission may recommend that any incorporation act passed by the General Assembly shall be submitted to a referendum, except if the petition contained the signatures of fifty percent (50%) of registered voters the Commission shall not recommend a referendum.

§ 120-173. Modification of petition.

With the agreement of the majority of the persons designated by the petition as an interim governing board, the Commission may submit to the General Assembly recommendations based on deletion of areas from the petition, as long as there are no noncontiguous areas.

§ 120-174. Deadline for recommendations.

If the petition is timely received under G.S. 120-163(e), the Commission shall make its recommendation to the General Assembly no later than 60 days after convening of the next regular session after submission of the petition.

CHARTER OF THE TOWN OF KIPLING

CHAPTER I

INCORPORATION AND CORPORATE POWERS

Section 1.1 Incorporation and corporate powers. The inhabitants of the Town of Kipling are a body corporate and politic under the name 'Town of Kipling.' Under that name they have all the powers, duties, rights, privileges and immunities conferred and imposed upon cities by the general law of North Carolina.

CHAPTER II

CORPORATE BOUNDARIES

Section 2.1. Town Boundaries. Until modified in accordance with law, the boundaries of the Town of Kipling are as follows: *(legal description will be provided prior to the time of incorporation.)*

Section 2.2. Extraterritorial jurisdiction. The Town of Kipling shall have an extraterritorial jurisdiction (ETJ) of one mile from the corporate limits.

CHAPTER III.

GOVERNING BODY.

Section 3.1. Structure of Governing Body, Number of Members. The governing body of the Town of Kipling is the Town Council and the Mayor. The Town Council has five members.

Section 3.2. Manner of Electing Board. The qualified voters the Town shall elect five Town residents to serve on the Town Council.

Section 3.3. Term of Office of Council Members. In 2002, five members of the Council shall be elected. The two persons receiving the highest numbers of votes are elected for four-year terms, and the three persons receiving the next highest numbers of votes shall be elected for two-year terms. In 2004 and quadrennially thereafter, three members of the Council shall be elected for four-year terms. In 2006 and quadrennially thereafter, two members of the Council shall be elected for four-year terms.

Section 3.4. Selection of Mayor; Term of Office. The qualified voters of the entire Town elect the Mayor. A Mayor shall be elected in 2002 and quadrennially thereafter for a four-year term.

CHAPTER IV.

ELECTIONS.

Section 4.1. Conduct of Town Elections. The Town Council shall be elected on a nonpartisan basis and the results determined by the plurality method as provided by G.S. 163-292.

CHAPTER V.

ADMINISTRATION.

Section 5.1. Mayor-Council Plan. The Town of Kipling operates under the Mayor-

EXHIBIT

Council plan as provided by Part 3 of Article 7 of Chapter 160A of the General Statutes

Section 2. Until members of the Town Council are elected in 2002 in accordance with the Town Charter and the laws of North Carolina, Jennifer Knight, Kathy Bradley, Dan LaReaux, Michael Novak, Earl Herring, and Rob Elsen shall serve as members of the Town Council. The members of the Town Council shall meet no later than 60 days prior to incorporation to select the Interim Mayor from among the Town Council members. Vacancies in the interim Council shall be filled by appointment made by the remaining members. A vacancy in the office of Interim Mayor is filled by appointment made by the members of the Town Council.

Section 3. From and after January 1, 2001, the citizens and property in the Town of Kipling shall be subject to municipal taxes levied for the year beginning January 1, 2001, and for that purpose the Town shall obtain from Harnett County a record of property in the area herein incorporated which was listed for taxes as of January 1, 2001. For fiscal year 2001-2002, ad valorem taxes may be paid at par or face amount within 90 days of adoption of the budget ordinance, and thereafter in accordance with the schedule in G.S. 105-360 as if the taxes had been due and payable on September 1, 2001.

The Town may adopt a budget ordinance for fiscal year 2001-2002 without following the timetable in the Local Government Budget and Fiscal Control Act.

FACTS AT A GLANCE:

Name of area to be incorporated:	Town of Kipling
Land size:	2509 acres/ 3.9 square miles*
Developed	1676.28 acres
% of land developed	66.8
Estimated population	1,150
Form of Government:	Mayor/Council
Municipal Services	Solid waste disposal Water Zoning Law Enforcement
Total tax base	\$26,819,176.00*
Tax rate	\$.13 per \$100.00
Total revenue	\$34,864.93
Nearby municipalities:	Population
Lillington	3,600
Angier	3,114
Fuquay-Varina	8,149
Notice posted in newspaper:	
The Daily Record (Dunn)	November 3 and November 10, 2000
Notice to municipalities	
Angier	November 8, 2000
Lillington	November 10, 2000
Coats	November 8, 2000
Dunn	November 8, 2000
Erwin	November 8, 2000
Notice to County Board of Commissioners	November 8, 2000
Interim Governing Board:	Jennifer Knight (919)557-5313 Dayton Smith (919)552-4375 Mike Novak (919)639-3450

COMMUNITY HISTORY:

The community now known as Kipling began in an area once known as Bradley's Store in Hector's Creek Township in Harnett County during the latter part of the 19th century. A post office was established at Bradley's Store, Harnett County on September 16, 1879 just a few hundred yards from the present post office location. Anderson N. Bradley who operated a farm, cotton gin and general store became the first postmaster. Early mail delivery arrived at New Hill in Wake County via Raleigh and Augusta AirLine Railroad and was transported to Bradley's Store by wagon.

The Raleigh and Cape Fear Railroad Company built the railroad line through the area now known as Kipling around 1903. Neill A. Smith and a committee of citizens were given the task of naming the new railroad station. Neill suggested naming the station after his favorite writer, Rudyard Kipling and all agreed. Kipling became the name of the station on the Raleigh and Cape Fear Railway line and Amos Rollins became Kipling's first depot agent. On January 23, 1905 the post office was officially established at Kipling (replacing Bradley's Store) with Neill A. Smith as the first postmaster.

The beginnings of Kipling United Methodist Church date back to approximately 1862. The original name of Matthew's Chapel later was renamed to Olive Branch Methodist Church in 1867 and the church remained on the original site until fire destroyed the building on February 28, 1934. Since the center of the church population had moved east a new church was built in the center of town. The name then changed to Kipling Methodist Church in May 1934. Before the first service was ever held in the sanctuary of the new church, this building too was destroyed by fire (January 23, 1935). Another building was erected on the same site and dedicated in 1936 where it remains to this day.

Located next to the old Olive Branch Church was Olive Branch School where in the late 1800's and early 1900's many area citizens received their formal education. Most notable playwright and Harnett County native Paul Green served as principal and teacher at Olive Branch School from 1914 to 1916. The school continued to serve the community until the fall of 1924 when LaFayette School opened for students.

Kipling has been the voting precinct for Hector's Creek Township since at least 1919 when the present building was built. Currently, it is located at Dayton Smith's Photography Studio – previously the old merchandise store and post office building.

With the influx of many new residents to the Kipling area it continues to thrive and grow while at the same time maintaining its small town charm and atmosphere.

SIGNED PETITION:

A copy of the petition signed by at least 15 percent of the registered voters in the area to be incorporated is attached as Exhibit A. The original petition is currently being verified by the

County Board of Elections.

NAME:

The name of the area to be incorporated shall be the Town of Kipling.

AREA TO BE INCORPORATED:

A map of the area to be incorporated is attached as Exhibit B. Generally the area begins at the intersection of US Highway 401 and Spence Road about 2 miles north of the Lillington City Limits, going north on Highway 401 to the northernmost boundary of the South Ridge Farms subdivision. On the west, at the boundary of the Olive Branch subdivision and Kipling Road, continuing on Kipling Road to US 401, continuing east on Harnett Central Road to the property of Michael and Deborah Novak. The Town of Kipling will have an extraterritorial jurisdiction (ETJ) of one mile from all boundaries.

The approximate total acreage is 2509, or 3.9 square miles. Much of the area is either under a subdivision ordinance or a working farm; therefore, approximately 66.8 percent of the land is considered developed for purposes of this petition. The approximate population of the area is 1150 residents.

A legally sufficient description will be provided upon request from the Commission.

TAX BASE:

A database of all parcels in the area to be incorporated has been prepared which includes owner name, description of parcel, assessed acreage and assessed tax value, among other data. From this it is concluded that the total tax value of all parcels is \$26,819,176. A tax rate of \$.13 per \$100 valuation will be assessed, which will yield \$34,864.93 yearly.

Tax rates for other municipalities in Harnett County are: Dunn, 46 cents per \$100 valuation; Angier, 45 cents per \$100 valuation; Coats, 77 cents per \$100 valuation; Erwin, 53 cents per \$100 valuation; and Lillington, 63 cents per \$100 valuation.

MUNICIPAL SERVICES:

The Town of Kipling shall provide zoning, trash pickup, water, and police protection within the first three years of incorporation.

Police Protection: The Town of Kipling will contract with the Harnett County Sheriff's

Department for law enforcement services on a per-call basis for approximately the first fiscal year of incorporation. At that point the Town Council shall set up a police department. Until such time as it becomes feasible to employ a full police staff, the Town will contract with the Sheriff's Department on a per-call basis for nighttime calls. The Town will also contract with the Sheriff's Department for dispatching services until such time as it becomes feasible to employ its own dispatcher.

Trash pickup: The Town of Kipling will contract with a waste management company to provide curbside trash pickup for all residences and businesses located within the corporate limits. Each residence and business will be billed monthly or annually for this service.

Water: The Town of Kipling will contract with Harnett County to purchase water from the county and re-sell it to the residents of the Town. The county currently provides water services to the area. Although a formal request has not been made, petitioners have informally spoken with a member of the Board of County Commissioners and have been assured that this will not be a problem. County sewer services are not available and all residences and businesses operate on septic systems. The Town does not plan to provide sewer service in the first three fiscal years of incorporation.

Zoning: The Mayor and Town Council will set up an initial zoning for the entire area encompassed in the corporate limits. The Town Council will appoint 3 residents to serve as a Planning Board to hear all petitions for permits. The Planning Board will make recommendations to the Town Council regarding permits; however, the Town Council will make a final decision regarding zoning issues. Until such time as the Planning Board is functioning, applications for variances will be heard by the Town Council. The Town Council will also appoint a Town Attorney to assist in legal issues arising from the zoning process.

CHARTER:

A copy of the proposed charter is enclosed as Exhibit C.

INTERIM GOVERNING BOARD:

Jennifer Knight, Mike Novak, and Dayton Smith will serve as the Interim Governing Board.

PROXIMITY TO EXISTING MUNICIPALITIES:

The limits of the Town of Kipling will be within five miles of the towns of Lillington and Angier. The Town of Lillington has a population of approximately 3,600. The town of Angier has a population of approximately 3,114.

The limits of the Town of Kipling will be within 10 miles of the Town of Fuquay-Varina. The population of Fuquay-Varina is approximately 8,149.

The towns of Lillington, Angier, Coats, Erwin, Dunn, and Fuquay-Varina have been served with notice of this petition, as has the Board of County Commissioners for Harnett County. Notice of this petition has also been published in The Daily Record (Dunn) on November 3, 2000, and November 10, 2000.



County of Harnett

OFFICE OF BOARD OF ELECTIONS

BOARD OF ELECTIONS
WILLIAM H. RANDALL, JR.
LARRY J. PARKER
VIVIAN N. BENNETT

DIRECTOR OF ELECTIONS
SHERRE LEWELLYN

December 21, 2000

Jennifer Knight
P.O. Box 174
Kipling, NC 27543

RE: Petitions

Dear Ms. Knight:

Based upon the information you provided regarding roads and house numbers within the proposed area, below are revised figures for the signatures you provided.

The asterisks (*) indicate voters who are currently registered in Harnett County and live within the area in question. A "no" next to the signer's name indicates we are unable to verify that the person is registered.

Total Submitted	122
Asterisk (*)	103
"No"	19

Total Registered in Proposed Area: 259

If you need any further assistance or have any questions, please feel free to contact me.

Sincerely,

Sherre Lewellyn
Director of Elections

Enclosures

PETITION IN SUPPORT OF INCORPORATION

The undersigned registered voters and residents of the area proposed to be incorporated signify by their signatures that they support the petition for incorporation of the Town of Kipling to be filed in November, 2000.

NAME	ADDRESS(street address and mailing address)	Telephone
1. Jennifer Knight	1501 Ballard Rd, P.O. Box 174, Kipling NC 27543	(919) 557-5313
2. Rev. Edith - Hill	70 Box 186 Kipling NC 27543	(919) 582-1050
3. Davis Brannen	P.O. Box 57 Kipling 27543	(919) 552-6545
4. Helen Smith	" " 145 Kipling 27543	
5. Dot Smith	" " 145 Kipling 27543	
6. Thomas E. Moore Jr	477 Kipling Rd 5500 - Kipling NC 27546	(919) 552-1722
7. Curtis Bullion	P.O. Box 98 Kipling, NC 27543	(919) 557-1528
8. Wm Bryant	9F Senter Farm Cnd Hwy 27546	919-557-4367
9. Dayton Smith	P.O. Box 57- Kipling N.C. 27543 64910-4401	919. 552 4375
10. Scott Knight	1501 Ballard Rd. P.O. Box 174 Kipling NC 27543	919-557-5715
11. Jennifer Johnson	P.O. Box 215, 204 Kipling Rd. Kipling	" " " "
12. Mr C. Johnson	" " " "	" " " "
13. Charles Parrish	445 Kipling Rd. Hwy 27543 - Kipling N.C.	919 552-3379
14. John Johnson	445 Kipling Rd. " "	

EXHIBIT

A

NAME

ADDRESS (street address and mailing address)

Telephone

15. Adene Meene 477 Kipling Rd., Sugarway-Vanina, NC 552-1722
16. William W. Knight { 1539 Bland Rd., Kipling, NC 27543
PO Box 10, Kipling, NC 27526
17. Cuthy Knight
18. Margaret Smith PO Box 220 Kipling NC 27543
19. STEDOT & ALBERT RD. 2 Sugarway Vancina, 552-5342
20. Munk and Son, Chest PO Box 238 Kipling NC 27543 252-2524
567-0228
21. ~~John & Bruce Bingham, 140 Harnett Court Rd., F-V, NC 27526 552-6934~~
22. Robert W. Elsen 616 Lorraine Rd. Kipling - Vanina NC 552-6342
PO Box 987 Kipling, N.C. 27543 557-1528
23. Brenda J. Bullion
24. Eva Green 616 Lorraine Rd. Sugarway Vanina - NC 27526
PO Box 571, Kipling, N.C. 27543 552-4375
342
25. Emory A. Smith
26. Billy Parke
27. ~~Robert Knight~~
28. Kathy Bradley P.O. Box 10 Kipling, NC 27543
P.O. Box 87 Kipling, NC 27543 552-9208
552-6549
29. Krista Vuncannon 291 Kipling Rd. Sugarway Vanina NC 27526 552-3905
30. SANDRA RYALS 376 Kipling Rd 27526 552-3009
31. Jewell W. Ryals 376 Kipling Rd 27526 552-3248

NAME

ADDRESS (street address and mailing address)

32. ATLAS RYALS

376 Kipling Road, F. V. NC 27526

Telephone

352-6310

33. Rebecca Dail Ryals

376 Kipling Rd, F-V, NC 27526

552-3009

34. Bonnie B. Smith

409 Kipling Rd., Kipling NC 27543

552-4517

35. Homer L. Bradley

6515 Hwy 401 N. Kipling, N.C. 27543

552-2862

36. Jamie Henderson

377 Kipling - Rt. Box 12

552-4861

37. Ronald L. Hall

7455 US-401 N Fugate VARIAN NC 27520

552-6598

38. Billie D. Hamilton

176 Kipling Rd. Fugate Varian N.C. 27526

552-4916

39. David Duncan

291 Kipling Rd Fugate Varian N.C. 27526

552-3805

40. Jerry Vance

Box 95 Kipling, N.C. 27526

552 5844

41. Jean B. Parker

342 Kipling Rd Fugate Varian, N.C. 27526

552-5518

42. Glen Wainwright

470 Kipling Rd. Fugate-Varian, NC 27526

557-4173

43. Ed Harrington

470 Kipling Rd. F-V, NC 27526

557-4875

44. Scott Parrish

1368 ONE BRANCH Rd. F-V, NC 27526

552-9271

45. Angela Parich

1368 Olive Branch Rd F-V, NC 27526

552-9271

46. Nicole Ogburn

18 Kinton Farm Ridge FV NC 27524

557-3103

47. Sonya Davis

1140 Ballard Road, F-V, NC 27526

(919) 552-7616

48. David B. Hays

7455 US-401 North FV NC 27526

552-6548

NAME

ADDRESS (street address and mailing address)

Telephone

49. Ernest L. Davis
(NORF) 1140 Ballard Rd., Varnhorns,
1807 Harrett Central Rd
50. Michael ~~76~~
51. Michael Booth 14 R2 Olive Branch Rd. P
52. Mary Smith PO Box 58 Kipling Rd 409
53. Robert Smith P.O. Box 159 Kipling
54. W. H. Burroughs PO Box 130 Kipling NC 27547
55. Burns 568 Harrett Central Rd, NC 27526
56. Helen W. Belms 519 Buckner Rd, NC 27526
57. John Youth 1310 Olive Branch Rd. N.C. 27526
58. Justin Smith 109 Kipling Rd. NC 27526
59. Gill Shipper 104 Allen Dr., Kipling NC 27543
60. Nancy E Brown 174 Kipling Church Rd Kipling NC 27543
61. Susan Vuncannon 292 Kipling Rd, Box 99, Kipling, NC 27543

919-552-4324
919-639-3450
80919.5528574

919-552-4917
919-557-7631
919 552.2336

919-552-1669
919.552-4990
919 552-4632
919 552-4917

919-552-3416
919-552-7640
919-552-5844

62.

63.

64.

65.

NAME

ADDRESS (street address and mailing address)

Telephone

66. Marion B. Miller

1980 BALLARD Rd, F.V., N.C. 27586

558-7674

67. Eric M. Smith

164 Harnett Central Rd Kipling NC 27543

552-7523

PO Box 66

68. Valerie Smith

164 Harnett Central Rd Kipling NC 27543

552-7523

P.O. Box 66

69. Jude Bingham

140 Harnett Central Rd. Kipling NC 27543

552-6934

70. Samuel B. Bingham

140 Harnett Central Rd., Fugate-Virginia, NC 27586

552-6534

71.

Post Office address 140 Harnett Central Rd., Kipling, NC

72. Nita Gregory Hill

PO 186 / 82 Neill Smith, R.D. Kipling NC 27543

567-1050

73. Liddy E. Smith

5371 US 401 St., Fugate - Virginia, NC 27524

(919) 552-6910

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PETITION IN SUPPORT OF INCORPORATION

The undersigned registered voters and residents of the area proposed to be incorporated signify by their signatures that they support the petition for incorporation of the Town of Kipling to be filed in November, 2000.

NAME	ADDRESS(street address and mailing address)	Telephone
1. Wayne D. McMillen	1417 BALLARD RD KIPLING NC 27543	5376265
2. Wade L. Milbrun	SOME AS ABOVE	
3. Daniel Lohy	119 Kinton Dr Fuquay Varina NC 27526	552-6778
4. Purcell McNeill	15 WESTER CIR Fuquay-Varina NC 27526	567-2629
5. Lechei Kainer	home	
6. Pamela Lohmeyer	119 KINTON DR. FUQUAY-VARINA, NC 27526	552-6778
7.		
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PETITION IN SUPPORT OF INCORPORATION

The undersigned registered voters and residents of the area proposed to be incorporated signify by their signatures that they support the petition for incorporation of the Town of Kipling to be filed in November, 2000.

NAME ADDRESS (street address and mailing address)

Telephone

1. John L. Thew 7194 US 401 N. Fuquay-Varina, NC 27526
2. Katie H. Nall 7178 US 401 N. Fuquay-Varina, NC 27526
3. Harold T. Cotton 7042 US 401 N. Fuquay-Varina, N.C. 27526
4. Summit Cottages 7042 US 401 N. Fuquay-Varina, N.C. 27526
5. Claudia M. Collier 616 LaFayette Rd, Fuquay-Varina, NC 27526
6. Patricia Davis 665 LaFayette Rd Fuquay-Varina, NC 27526
7. Ernest Wheeler 1310 Olive St. 1st Fl. Fuquay-Varina, N.C. 27526
8. Barbara M. Barlow 28 Borden Lane Fuquay-Varina, N.C. 27526
9. Paul Barlow 28 Borden Lane Fuquay-Varina, N.C. 27526
10. Jimmy Matthews 4375 U.S. 401 N Fuquay-Varina, N.C. 27526
11. Goody Matthews " " " " " "
12. Gladys B. Matthews 4453 U.S. 401 N Fuquay-Varina N.C. 27524
13. Patricia B. Denning 175 Bar. Den Lane Fuquay-Varina, NC 27526
14. Andrew Denning 175 Bar. Den Lane Fuquay-Varina, NC 27526

NAME

ADDRESS(street address and mailing address)

Telephone

15. *Omig Hugueny* 1315 Olive Branch Rd Hugueny, NC 552-0659
16. *Shwayne Hugueny* 1315 Olive Branch Rd. Hugueny, N. C. 552-0659
17. *Quinn Calver* 6322 US 401 N. Hugueny Varina, NC 552-7474
18. *Wade N Calver* 6322 US 401 N. Hugueny Varina, NC 552-7474
19. *Mary E Calver* 6338 US 401 N Hugueny Varina, NC 552-7608
20. *Earl P. Jennings* 309 Christmas Light Rd Box 26 Kidding NC 532-6121
21. *Quintell Jennings* 309 Christmas Light Rd, Box 26 K. Piny NC, 552-6121
22. *Delores Jennings* 1809 Harnett-Centred Rd Box 185 Kipling, NC 6393452
(NORAK)

23.

24.

25.

26.

27.

28.

29.

30.

31.

NAME

ADDRESS (street address and mailing address)

Telephone

32. Michael Paul Wirth, 568 Harnett Cir. Rd., Kipling, NC 27543 552-669
33. Brett Prince 610 Harnett Central Rd. Fuquay-Varina NC 27526 552-2839
34. MITCHELL L. CHASE 530 HARNETT CENTRAL RD. FUQUAY-VARINA N.C. 27526 552-2839
35. DENNY CURTIS JR 530 HARNETT CENTRAL RD. FUQUAY-VARINA N.C. 27526 552-2839
36. Summer Senter 106 Ironwood Dr Fuquay-Varina, NC 27520 577-7163
- 37.
- 38.
- 39.
- 40.
- 41.
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- 46.
- 47.
- 48.

NAME

ADDRESS (street address and mailing address)

49. Helen Baker - 446 Craig's Horse Trails - P.O. Box 130 Kipling, NC - 27543

50. John Nalla - 192 Kipling Church Rd - P.O. Box 68 Kipling, NC - 27543

51. Samuel Hobbs

192 Kipling Church Rd. - P.O. Box 68 Kipling, NC - 27543

52. Betty Brightman

P.O. Box 204 Kipling, N.C. 27543

53. Charles Brightman

P.O. Box 204 Kipling, N.C. 27543

54. P.D. Brumby

P.O. Box 83 Kipling, N.C. 27543

55. Betty Kendall

7139 401 P.O. Box 33
P.O. Box 33

56. M.J. Tice

7139 401 P.O. Box 33

57. Jack Williams

5796 Hwy 401 N P.O. Box 157

58. Jenny Jackson

6564 401 N P.O. Box 61

59. Doug Jackson

6564 401 N P.O. Box 61

60. Phil Plant

100 PLANT TOWN, P.O. Box 45

61. Leslie Finch

43 HAMPTON TOWN CIR, FUGUEY VARIANA NC 27526

62. Cedric Finch

43 HAMPTON TOWN CIR, FUGUEY VARIANA NC 27526

63. Brett M. Senter

106 Ironwood Dr. Fuguey-Varina, NC 27526

64. Walter G. Steward

70 Angela St. F-V 27526 P.O. Box 190, Kipling, NC 27543

Telephone

(919) 552-2332

(919) 552-7191

(919) 552-7191

(919) 567-0854

(919) 567-0457

(919) 552-7646

(919) 552-4429

(919) 552-4429

(919) 562-7537

919-552-2430

919-552-2430

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919-552-3996

919-552-3996

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919-552-3996

919-552-3996

NAME

ADDRESS(street address and mailing address)

Telephone

66. Bechy Paroush
67. Charles Paroush496 Kipling Rd
" " Sugway Varina NC

552-3377

68. JOSEPH L. OGBURN

18 KINTON FARM RIDGE FURQUY - VARINA, NC

567-3103

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ETJ
Town

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EXHIBIT
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COPY

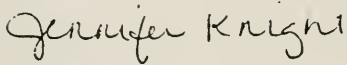
November 8, 2000

Mr. Preston Short
Town Administrator
Town of Coats
P O. Box 675
Coats, North Carolina 27521

Dear Mr. Short:

This is to inform you that a petition requesting incorporation for the Kipling community will be filed with the Joint Legislative Commission on Municipal Incorporations on November 17, 2000. Should you need more information, please contact me at Post Office Box 174, Kipling, North Carolina 27543.

Sincerely,

A handwritten signature in cursive script that reads "Jennifer Knight".

Jennifer Knight

CO
November 8, 2000

Mr. Chuck Simmons
Town Administrator
Town of Erwin
P.O. Box 459
Erwin, North Carolina 28339

Dear Mr. Simmons:

This is to inform you that a petition requesting incorporation for the Kipling community will be filed with the Joint Legislative Commission on Municipal Incorporations on November 17, 2000. Should you need more information, please contact me at Post Office Box 174, Kipling, North Carolina 27543.

Sincerely,

Jennifer Knight

Jennifer Knight

COPY

November 8, 2000

Mr. Dan Andrews
Chairman, Board of County Commissioners
Harnett County
P.O. Box 759
Lillington, North Carolina 27546

Dear Mr Andrews:

This is to inform you that a petition requesting incorporation for the Kipling community will be filed with the Joint Legislative Commission on Municipal Incorporations on November 17, 2000. Should you need more information, please contact me at Post Office Box 174, Kipling, North Carolina 27543.

Sincerely,

A handwritten signature in cursive script that reads "Jennifer Knight". The signature is written in dark ink and is positioned above the printed name.

Jennifer Knight

COPY

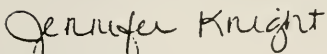
November 8, 2000

Mr. Carl G. Dean
City Manager
City of Dunn
P.O. Box 1065
Dunn, North Carolina 28335

Dear Mr. Dean:

This is to inform you that a petition requesting incorporation for the Kipling community will be filed with the Joint Legislative Commission on Municipal Incorporations on November 17, 2000. Should you need more information, please contact me at Post Office Box 174, Kipling, North Carolina 27543.

Sincerely,


Jennifer Knight

COPY

November 10, 2000

Town Manager
Town of Lillington
106 W. Front Street
Lillington, North Carolina 27546

This is to inform you that a petition for incorporation of the Kipling area will be filed with the Joint Legislative Commission on Municipal Incorporations in Raleigh on November 17, 2000. If you should need further information, please contact me at (919)557-5313.

Sincerely,

A handwritten signature in cursive script that reads "Jennifer Knight". The signature is written in dark ink and is positioned above the printed name and address.

Jennifer Knight
Post Office Box 174
Kipling, North Carolina 27543

COPY

November 8, 2000

Mr. Tom Taylor
Town Administrator
Town of Angier
P.O. Box 278
Angier, North Carolina 27501

Dear Mr. Taylor:

This is to inform you that a petition requesting incorporation for the Kipling community will be filed with the Joint Legislative Commission on Municipal Incorporations on November 17, 2000. Should you need more information, please contact me at Post Office Box 174, Kipling, North Carolina 27543.

Sincerely,

Jennifer Knight

Jennifer Knight

LEGAL NOTICE

Dec 7 15:00 2000 User: Allison; Title: 9591-1;

A petition for incorporation of the Town of Kipling will be filed with the Legislative Commission on Municipal Incorporations in Raleigh. For information contact Jennifer Knight, Post Office Box 174, Kipling, NC 27543; Kathy Bradley, Post Office Box 67, Kipling, NC 27543.
11/3/10, 2000

STATE OF NORTH CAROLINA
COUNTY OF HARNETT

In the matter of:

Ref ad #: 46732 PETITION FOR INCORPORATION

I, MELODY TART, being duly sworn, say: that I am CLASSIFIED ADVERTISING CLERK of THE DAILY RECORD, a newspaper published at Dunn, Harnett County, North Carolina, and that the attached clipping is a copy of the Notice published in said newspaper for 2 days, as follows:

11/07/2000, 11/10/2000

as required by law in the above entitled suit.

This newspaper is qualified for legal advertising in accordance with G.S. 1-597 and 1-598.

Melody Tart

Classified Advertising Clerk, THE DAILY RECORD

Subscribed and sworn to before me,
this 7th day of December, 2000

Donna W. Pass

Notary Public

My commission expires _____ MY COMMISSION EXPIRES JULY 21, 2002

COPY

December 6, 2000

Mr. James T. Davis
Town Manager
Town of Broadway
P.O. Box 130
Broadway, North Carolina 27505

Dear Mr. Davis:

This is to inform you that a petition requesting incorporation for the Kipling community was filed with the Joint Legislative Commission on Municipal Incorporations on November 17, 2000. Should you need more information, please contact me at Post Office Box 174, Kipling, North Carolina 27543.

Sincerely,


Jennifer Knight

**Assessment of Petition
by
Town of Kipling
for
Incorporation**

Relative to NC G.S. 120-163 and NC G.S. 120-164

**North Carolina Department of Commerce
Division of Community Assistance**

Division of Community Assistance staff has reviewed the petition for incorporation from the Town of Kipling as it relates to NC G.S. 120-163 and NC G.S. 120-164. These sections of the General Statutes refer to the petition and notification requirements.

G.S. 120-163 (a) requires that a petition be signed by 15% of the registered voters (but by not less than 25 voters) of the area asking for incorporation. The proposed Town of Kipling has submitted a petition with signatures.

G.S. 120-163 (b) requires that "[t]he petition must be verified by the county board of elections of the county where the voter is alleged to be registered. The board of elections shall cause to be examined the signature, shall place a check mark beside the name of each signer who is qualified and registered to vote in that county in the area proposed to be incorporated, and shall attach to the petition a certificate stating the number of voters registered in that county in the area proposed to be incorporated, and the total number of registered voters who have been verified. The county board of elections shall return the petition to the person who presented it within 15 working days of receipt." G.S. 120-163 (d) requires that the petitioners must present to the Commission the verified petition from the county board of elections. The petition has been verified by the Harnett County Board of Elections.

G.S. 120-163 (c) requires that the petition must include a number of items. These are:

- A proposed name for the city. The petition of the Town of Kipling does include a proposed name.
- A map of the city. The petition of the Town of Kipling does include a map.
- A list of proposed services to be provided by the proposed municipality. The petition of the Town of Kipling does include a list of proposed services.
- The names of three persons to serve as interim governing board. The petition of the Town of Kipling includes the names of three persons to serve as an interim council.
- A proposed charter. The petition of the Town of Kipling does include a proposed charter.
- A statement of the estimated population. The petition of the Town of Kipling does include a statement of the estimated population.
- Assessed valuation. The petition of the Town of Kipling does include an estimate of assessed valuation.
- Degree of development. The petition of the Town of Kipling does include degree of development.
- Population density. The petition of the Town of Kipling does include a statement of estimated population density.
- Recommendations as to form of government and manner of election. The petition of the Town of Kipling does include recommendations as to form of government and manner of election.

According to G.S. 120-163, the proposed municipality may not contain any non-contiguous areas. According to an examination of the map presented with the petition, the proposed Town of Kipling does not contain any non-contiguous areas.

According to G.S. 120-164, not later than five days before submitting the petition to the Commission, the petitioners shall notify:

- (1) The board or boards of county commissioners of the county or counties where the proposed municipality is located.
- (2) All cities within that county or counties.
- (3) All cities in any other county that are within five miles of the proposed municipality of the intent to present the petition to the Commission.

The petition did include copies of the notification letters to Harnett County, Angier, Coats, Dunn, Erwin, Fuquay-Varina, Broadway, and Lillington. Therefore, all required notifications letters have been sent.

According to G.S. 120-164, "[t]he petitioners shall also publish, one per week for two consecutive weeks, with the second publication no later than seven days before submitting the petition to the Commission, notice in a newspaper of general circulation in the area proposed to be incorporated of the intent to present the petition to the Commission."

Copies of notice published in The Daily Record (Dunn) for Friday, November 03, 2000 and Friday, November 10, 2000 were included in the petition.

**Assessment of Petition
by
Town of Kipling
for
Incorporation**

Relative to NC G.S. 120-166.

**North Carolina Department of Commerce
Division of Community Assistance**

Division of Community Assistance staff has reviewed the petition for incorporation from Kipling as it relates to NC G.S. 120-166. That section of the General Statute refers to the nearness of the proposed new 'Town of Kipling' to other municipalities. Part (a) of that section sets criteria based on the nearness of the proposed new town to existing municipalities and their respective populations. Note that the General Statute requires that the population values be in accordance with the most recent decennial federal census, or according to the most recent annual estimate of the Office of State Budget and Management if the municipality was incorporated since the return of that census. These relationships are presented in the following table.

Critical Distance	Population of Neighboring Municipality
1 mile	5,000 to 9,999
3 miles	10,000 to 24,999
4 miles	25,000 to 49,999
5 miles	50,000 and over

There are no municipalities within one (1) mile of the proposed Town of Kipling. The Towns of Angier (population 2,235) and Lillington (population 2,048) are both within three (3) miles of the proposed boundaries for Kipling, but neither municipality exceeds the neighboring municipal population threshold. There are no additional municipalities with four (4) miles of the proposed Town of Kipling. The Town of Fuquay-Varina (population 4,447) is within five (5) miles of the proposed boundaries of Kipling, but does not exceed the neighboring municipal population threshold.

The proposed new Town of Kipling is not entirely on an island so Subsection (b)(1) does not apply. The Town of Kipling is not separated by a major river or other natural feature from nearby municipalities so Subsection (b)(2) does not apply. Finally, the petition indicated no evidence that Subsection (b)(4) applies (a petition for annexation to nearby city that was not approved).

Please note that a boundary description was not included in the petition, however a map was included in the petition.

The Commission is not precluded from making a positive recommendation on the petition for incorporation relative to the proposed Town of Kipling, in accordance with NC G.S. 120-166.(a).

Information sources: The foregoing assessment was based on information contained in the petition, GIS data provided by the Harnett County GIS Department, and the most recently updated DOT GIS data that was provided by NC CGIA. A buffer analysis (an ArcView GIS utility) was performed on the proposed boundary that was presented on the map attached to the petition. The 1990 Census population values were retrieved from the NC Office of State Planning web site (www.ospl.state.nc.us/demog/muntot99.html).

Note: 1

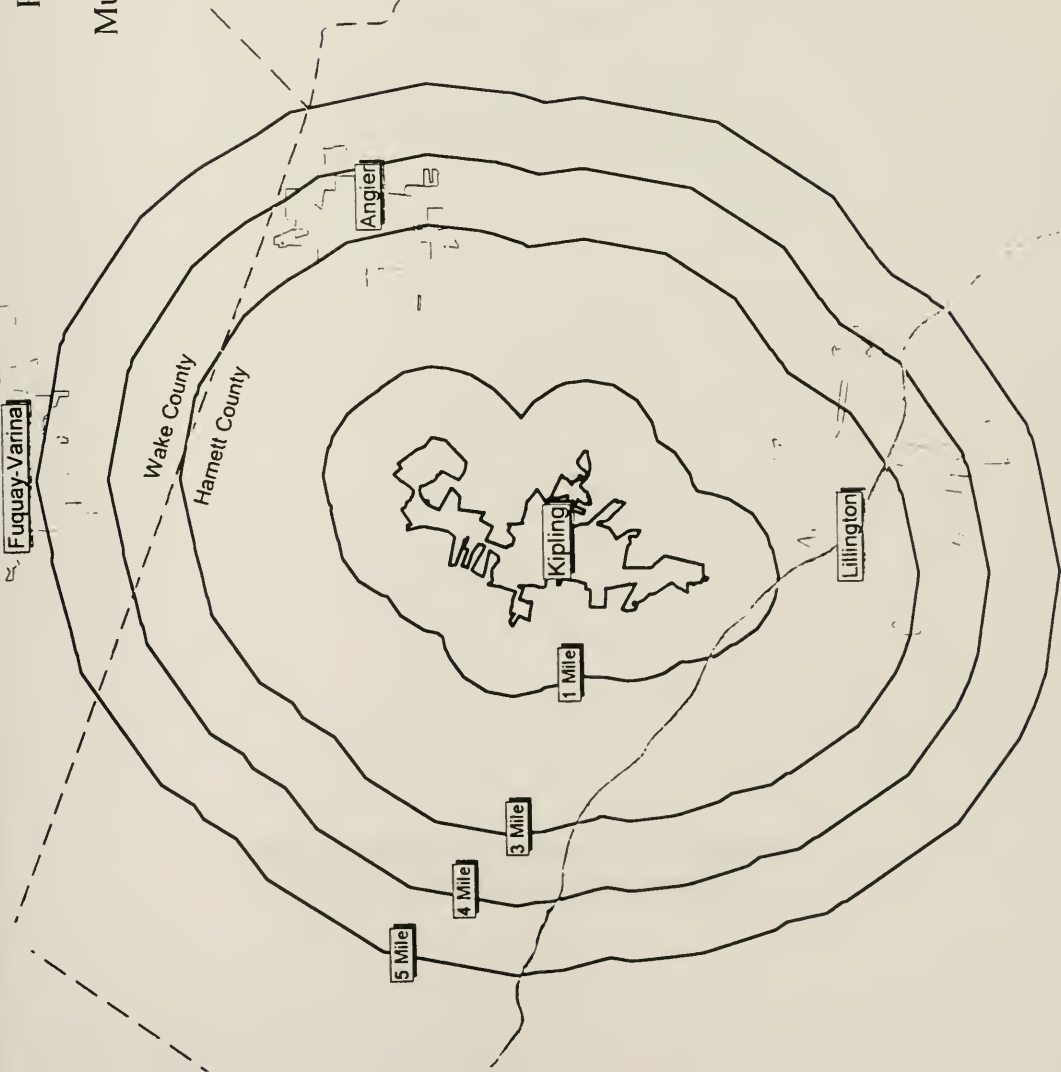
§ 120-166. Additional criteria; nearness to another municipality.

(a) The Commission may not make a positive recommendation if the proposed municipality is located within one mile of a municipality of 5,000 to 9,999, within three miles of a municipality of 10,000 to 24,999, within four miles of a municipality of 25,000 to 49,999, or within five miles of a municipality of 50,000 or over, according to the most recent decennial federal census, or according to the most recent annual estimate of the Office of State Budget and Management if the municipality was incorporated since the return of that census.

(b) Subsection (a) of this section does not apply in the case of proximity to a specific municipality if:

- (1) The proposed municipality is entirely on an island that the nearby city is not on;
- (2) The proposed municipality is separated by a major river or other natural barrier from the nearby city, such that provision of municipal services by the nearby city to the proposed municipality is infeasible or the cost is prohibitive, and the Commission shall adopt policies to implement this subdivision;
- (3) The nearby municipality by resolution expresses its approval of the incorporation; or
- (4) An area of at least fifty percent (50%) of the proposed municipality has petitioned for annexation to the nearby city under G.S. 160A-31 within the previous 12 months before the incorporation petition is submitted to the Commission but the annexation petition was not approved. (1985 (Reg. Sess., 1986), c. 1003, s. 1; 1989 (Reg. Sess., 1990), c. 1024, s. 25.)

Proposed Town of Kipling Harnett County Municipal Incorporation Study Phase I



Legend

- Kipling Area
- County Boundary
- Buffers
- Angier
- Fuquay-Varina
- Lillington
- Cape Fear River



Map prepared 01/01

APPENDIX F

**Assessment of Petition
by
Kipling
(Harnett County)
for
Incorporation**

**Relative to NC G.S. 120-167
through NC G.S. 120-170**

**North Carolina Department of Commerce
Division of Community Assistance**

Division of Community Assistance (DCA) staff has reviewed the petition for incorporating the Town of Kipling relative to NC G.S. 120-167 through G.S. 120-170. The following discussion addresses each of these sections of the General Statutes.

NC G.S. 120-167 Additional criteria, population.

NC G.S. 120-167 refers to population and requires that the permanent population must be at least 100 and a population density of at least 250 persons per square mile. The Division of Community Assistance performed a land use survey of the subject area. That survey identified 422 dwelling units in the subject area. The 1990 US Census Bureau data indicates an average of 2.6 persons per household for Harnett County and an occupancy rate of 90.2 percent. This suggests that 990 persons are likely to reside in those 356 dwellings with a population density of 275 persons per square mile. It appears that NC G.S. 120-167 is satisfied.

NC G.S. 120-168 Additional criteria; development.

NC G.S. 120-168 refers to development and requires that at least 40 percent of the area must be "developed for residential, commercial, industrial, institutional, or governmental uses, or is dedicated as open space under the provisions of a zoning ordinance, subdivision ordinance, conditional or special use permit, or recorded restrictive covenants." (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

DCA used a land use survey combined with an analysis of available tax information to determine the degree of development. The survey considered parcels as "developed" if they had land use characteristics that were residential, commercial, institutional or governmental, industrial, or dedicated open spaces. Vacant parcels, forested parcels, or agricultural parcels were considered "undeveloped."

DCA's analysis indicated that 18 percent of the subject area is developed (see Table 1 and Map A). It appears that NC G.S. 120-168 is not satisfied.

Table 1:
Development Relative to NC G.S. 120-168

Land Use	Acres
Commercial	14
Industrial	0
Institutional/Governmental	25
Residential	356
Undeveloped	1,804
Open Space	0
Total	2199
Total Developed Acreage	395
% Developed	18%

NC G.S. 120-169 Additional criteria, area unincorporated

NC G.S. 120-169 requires that none of the area proposed for incorporation may be included within the boundary of another incorporated municipality. DCA compared the proposed boundary for the Town of Kipling with the most recently updated Harnett County (GIS) data as well as the NC DOT geographic information system (GIS) data that was provided by NC CGIA and found no evidence that any of the subject area is part of an incorporated municipality. It appears that NC G.S. 120-169 is satisfied.

NC G.S. 120-169.1 Additional criteria; services.

NC G.S. 120-169.1(b) requires that the area to be incorporated submit a plan for a reasonable level of municipal services. To meet the requirements of this section, the persons submitting the plan for incorporation must propose to provide at least four of the following services:

- 1) Police protection.
- 2) Fire protection.
- 3) Solid waste collection or disposal.
- 4) Water distribution.
- 5) Street maintenance.
- 6) Street construction or right-of-way acquisition.
- 7) Street lighting.
- 8) Zoning.

The petition does include a plan for providing four out of eight of the above services. Kipling proposes to provide solid waste collection, water distribution, zoning, and police protection. Police protection will be contracted with the Harnett County Sheriff's Department. Kipling will contract with Harnett County to purchase water from the county and re-sell the water to the Kipling residents. It appears that NC G.S. 120-169.1(b) is satisfied.

NC G.S. 120-170 Findings as to services.

NC G.S. 120-170 requires that the proposed municipality provide, at a reasonable tax rate, the services requested by the petition, and that the proposed municipality can provide at a reasonable tax rate the types of services usually provided by similar municipalities. To help quantify this requirement DCA considered the gross property assessment value of the proposed municipality as its tax base. DCA compared the property tax rates, and property tax revenues of ten municipalities that have a population size similar to that of the proposed Town of Kipling.

For fiscal year 1997-98 the average property tax rate and revenue for the comparison communities were \$0.487/\$100 assessment and \$182,537 respectively. In order for the proposed Town of Kipling to generate similar revenues it would have to levy a property tax rate of \$0.72/\$100 assessment (assuming a total assessment of

\$27,548,690 and a collection rate of 91.5 percent).¹

Table 2:
Property Tax Rate and Revenues Comparison

Municipality	Population 1995	Tax Rate/\$100 FY1997-98	Property Tax Revenue
Broadway	1,050	.59	\$232,293
Cooleemee	962	.20	\$47,685
Gaston	1,050	.58	\$115,184
Kenansville	898	.54	\$188,392
Lake Waccamaw	949	.27	\$195,971
Middlesex	933	.55	\$198,546
Old Fort	927	.40	\$303,243
Pinebluff	946	.47	\$183,796
Warrenton	976	.60	\$218,705
Whitakers	873	.67	\$141,557
		Average Tax Rate \$0.487/\$100	
		Average Property Tax Revenue \$182,537	

The proposed Town of Kipling may not be able to provide at a reasonable tax rate the types of services usually provided by municipalities of comparable size. It appears that NC G.S. 120-170 is not satisfied.

Conclusion

It appears that the proposed Town of Kipling does not satisfy the North Carolina General Statutes 120-168 and 120-170. **The Commission is precluded from making a positive recommendation on the incorporation of the proposed Town of Kipling relative to General Statute 120-168 and 120-170.**

Information sources:

Petition for Incorporation of the Town of Kipling
1990 US Census Summary Tape File 1A (referenced 02/01)
Harnett County GIS Department, Parcel Data and Assessment Data
North Carolina League of Municipalities (referenced 02/01)
<http://nclmorg.coolwebhosting.com/General/Reports/TaxRate/Tax97tab.txt>
North Carolina Office of State Treasurer (referenced 02/01)
<http://www.treasurer.state.nc.us/frlgc.htm>
NC DOT GIS Data Layers, Distributed by NC CGIA (2000)

¹ In reality, the actual amount of revenue needed by the proposed municipality could be either higher or lower than this estimate.

Map A



**Kipling
Municipal Incorporation
Phase II Study**

Legend

-  Kipling Limits
-  Developed
-  Undeveloped



0 3000 Feet


Huron County
Department of
Community
Assistance
Map prepared 02/28/01

Fiscal Research Analysis of Kipling Incorporation (G.S. 120-169.1(c))

1. Sales Tax Revenue Change:

Harnett County distributes sales tax revenues on an ad valorem basis. This analysis uses the ad valorem amounts certified by county, city, and town officials to the Department of Revenue for 1998-99 to show how that distribution would have changed had Kipling been incorporated at that time.

Current	Municipalities	Ad Valorem Levy	% Levy	Sales Tax Distribution	% Distribution
County		22,190,756	82.6%	10,645,380.41	82.6%
Harnett				269,966.59	2.1%
	Angier	562,758	2.1%	489.85	0.0%
	Broadway**	1,020	0.0%	159,986.81	1.2%
	Coats	333,500	1.2%	928,365.58	7.2%
	Dunn	1,935,217	7.2%	530,651.88	4.1%
	Erwin	1,106,167	4.1%	355,884.57	2.8%
	Lillington	741,858.00	2.8%		
TOTAL		26,871,276	100%	12,890,726	100%

With Incorporation

County	Municipalities	Ad Valorem Levy	% Levy	Sales Tax Distribution	Change (Approx)
Harnett		22,190,756	82.5%	10,631,586	(13,795)
	Angier	562,758	2.1%	269,617	(349)
	Broadway**	1,020	0.0%	489	(1)
	Coats	333,500	1.2%	159,780	(207)
	Dunn	1,935,217	7.2%	927,162	(1,204)
	Erwin	1,106,167	4.1%	529,964	(688)
	Lillington	741,858.00	2.8%	355,424	(461)
	Kipling	34,865	0.1%	16,704	16,704
TOTAL		26,906,141	100%	12,890,726	0

* Variance due to rounding.

2. Powell Bill Allocation Change

Fiscal Research Analysis of Kipling Incorporation (G.S. 120-169.1(c))

Annually state street aid or Powell Bill allocations are made to incorporated municipalities which establish their eligibility and quality as provided by G.S. 136-41.1-.3. The amount allocated to each municipality is based on both population and qualifying street miles within the municipality.

FY 1999-00 populations based allocations assumed a total, statewide municipal population of 3,937,293 and available funds of \$99,886,364.46. This created a per capita distribution rate of \$ 25.37.

Adding the new population of Kipling (1150) to the statewide total creates a new population of 3,938,443 and a per capita allocation of \$25.36. The impact of this change on Harrell municipalities is as follows:

Municipalities	Population	Original Allocation	New Allocation	Change
Angier	3114	79,002	78,971	(31)
Broadway**	1127	28,592	28,581	(11)
Coats	1851	46,960	46,941	(19)
Dunn	9811	248,905	248,807	(98)
Erwin	4525	114,799	114,754	(45)
Lillington	10387	263,518	263,414	(104)
Kipling	1150	-	29,164	29,164

The incorporation could also have a marginal impact on the distribution of funds based on mileage. However, Fiscal Research is not aware of the number of qualifying miles in Kipling. Therefore, no estimate is available on this portion of the Powell Bill allocation.

3. Utility Excise Tax:

Of the 3.22% state excise tax rate on the in-state gross receipts of gas, power and light and telephone companies, 3.09 percentage points (or 96% of collections) are distributed to the respective municipalities within which these services took place. In 1998-99 the statewide total was \$161.1 million.

Because Kipling only incorporates new areas (areas not currently a part of another municipalities) no revenue shift is expected. Any revenue received by Kipling from this tax would be new or drawn from the NC General Fund.

